

286.5-031 Executive director to investigate -- Objections -- Approval -- Certificate issued -- Filing.

- (1) Upon receipt of the articles of incorporation, the executive director shall first determine whether or not the articles comply with the provisions of this subtitle and, if he so finds, he shall promptly notify any state or federal savings and loan association in the locality in which the proposed office or offices are to be located specifying a time in which they must file objections. The executive director shall then inquire into the advisability of approving the application by investigating:
 - (a) The moral character and the financial responsibility of the incorporators and the principles of the applicant.
 - (b) The public necessity of such an association in the community to be served, and
 - (c) The reasonable probability of its usefulness and success. In so doing he shall determine whether or not the savings and loan association can be established without undue injury to properly conducted existing savings and loan associations, in connection with which the incorporators and principals shall furnish such information as they may desire and as the executive director may require.
- (2) After allowing the specified time for filing objections, the executive director shall approve the application if he finds that the moral character and financial responsibility of the incorporators and principals are sound and such as to justify public confidence and to insure the reasonable probability of the success of the association; that the incorporators and principals have complied with the provisions of this subtitle, that the incorporation is advisable and, after investigation there is reason to believe that no undue injury to properly conducted existing savings and loan associations, either state or federal, will result. Unless the application, after investigation, meets all the above requirements the executive director shall disapprove it.
- (3) If approved, the executive director shall at the same time execute in triplicate a certificate of incorporation in the form prescribed by him.
- (4) The executive director shall file one (1) signed copy of such certificate of approval and of the certificate of incorporation with the Secretary of State. The executive director shall indorse upon the two (2) copies of the petition for certificate of incorporation filed with him such certificate of approval and return the duplicate original and a copy of the certificate of incorporation to the association, addressed to the chairman of the incorporators, and shall retain the original petition for certificate of incorporation and a copy of the certificate of incorporation in the permanent files of his office. The certificate of incorporation shall not be filed or recorded in any other state or county office. The failure of the executive director to file, return, or retain any such document shall not affect the validity of the incorporation of any association.

Effective: June 18, 1964

History: Created 1964 Ky. Acts ch. 138, sec. 3 (2) and (3), effective June 18, 1964.

Formerly codified as KRS 289.031.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286, and KRS references within this statute have been adjusted to conform with the 2006 renumbering of that code.

Legislative Research Commission Note (6/20/2005). 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.